

**IN THE UNITED STATES DISTRICT COURT**  
**FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

<b>UNITED STATES OF AMERICA</b>	<b>:</b>	<b>CRIMINAL NO.</b> _____
<b>v.</b>	<b>:</b>	<b>DATE FILED:</b> _____
<b>GEORGE R. SMITH, JR.</b>	<b>:</b>	<b>VIOLATION:</b> <b>18 U.S.C. § 1341 (mail fraud - 1 count)</b>

**INFORMATION**

**COUNT ONE**

**THE UNITED STATES ATTORNEY CHARGES THAT:**

At all times material to this information:

1. The United States Department of Transportation, Federal Highway Administration (FHWA), was a federal agency within the Executive Branch of the United States government, with responsibility for, among other things, providing financial and technical support for the construction, improvement and maintenance of highways throughout the United States.
2. The FHWA provides federal funds to the Commonwealth of Pennsylvania and the Pennsylvania Department of Transportation (PennDOT) for certain construction, improvement and maintenance to highways within the Commonwealth of Pennsylvania.
3. The FHWA must approve contract specifications relating to highway projects which receive federal funds, including contract specifications of materials and components used in highway guide rails.

4. Defendant GEORGE R. SMITH, JR. was President and owner of Statewide Hi-Way Safety, Inc., located in Hammonton, New Jersey, which was a business that engaged in, among other things, the installation and maintenance of highway guide rails and components.

5. Defendant GEORGE R. SMITH, JR., was a subcontractor to other contractors working under FHWA and PennDOT contracts to install and maintain highway guide rails and components in Pennsylvania. The contractors and their sub-contracts with defendant required defendant to comply with all relevant state and federal specifications.

### **THE SCHEME**

6. From in or about September 2002, through in or about April 2005, defendant

### **GEORGE R. SMITH, JR.**

devised and intended to devise a scheme to defraud PennDOT and the United States, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, by providing substandard construction materials on federally funded highway projects, and by falsely certifying that these materials met all state and federal contract specifications.

### **MANNER AND MEANS**

It was part of the scheme that:

7. Defendant GEORGE R. SMITH, JR. agreed to supply material components for highway guide rails in Pennsylvania which met PennDOT's contract specifications, but instead provided substandard materials by: a) manufacturing certain materials which PennDOT did not authorize him or his company to manufacture, and

b) using factory second parts for guide rails which defendant knew did not meet contract specifications.

8. Defendant GEORGE R. SMITH, JR. falsely certified that material components for guide rails met contract specifications, when in fact they did not, and that the material components for guide rails came from a particular material supplier, approved by PennDOT, when defendant knew that the materials he used did not come from that supplier, and that in fact the manufacturer/supplier was no longer in business.

9. Defendant GEORGE R. SMITH, JR. knew that certifications were required to be submitted to PennDOT that materials installed on PennDOT contracts met contract specifications, and yet defendant knowingly prepared and submitted to PennDOT false and fraudulent Certificates of Compliance relating to materials used in components for highway guide rails on certain federally funded highways in Pennsylvania, including but not limited to, Route 63 in Philadelphia County, Route 322 in Chester County, and Route 100 in Montgomery County.

10. Defendant GEORGE R. SMITH, JR. provided these false and fraudulent Certificates of Compliance to PennDOT through the United States mail, with each such false certification causing a false claim to the United States.

11. In furtherance of the fraudulent scheme, on the following dates among others, defendant GEORGE R. SMITH, JR. mailed false Certificates of Compliance, signed by him and certifying “that the material being supplied is one and the same as provided to us by the manufacturer listed on this document [the certificate of compliance] and quantities listed above

are accurate: a) August 23, 2004, b) September 7, 2004, c) November 11, 2004, d) November 23, 2004, e) December 3, 2004, f) January 3, 2005, g) January 4, 2005, and h) April 5, 2005.

12. As a result of defendant GEORGE R. SMITH, JR.'s fraudulent scheme, contractors and PennDOT submitted false claims to the United States, resulting in a loss to the Federal Highway Administration and PennDOT of approximately \$683,303.

13. On or about April 5, 2005, in the Eastern District of Pennsylvania, defendant

**GEORGE R. SMITH, JR.,**

for the purpose of executing the scheme described above, and attempting to do so, knowingly caused to be delivered by mail, according to the directions thereon, a Certificate of Compliance from Statewide Hi-Way Safety, Inc. in Hammonton, New Jersey 08037 to Road-Con, Inc., 917 Old Fern Hill Road, Suite 500, West Chester, Pennsylvania 19380, in which he falsely certified that the materials were manufactured by a particular manufacturer/supplier, and that they had met contract specifications.

In violation of Title 18, United States Code, Section 1341.

---

**PATRICK L. MEEHAN**  
**United States Attorney**